



City of Fresno

Monthly Financial Report FY2007/2008

Through the Seven Months Ended January 31, 2008

Unaudited - Intended For Internal Management Purposes Only

GENERAL FUND AT-A-GLANCE

Category	Amended Budget	YTD Actual	%	% Prior Year
Revenues	\$ 254,819	\$ 133,516	52%	36%
Expenditures	(254,962)	(143,944)	56%	57%
Revenues Over Expenditures	\$ (143)	\$ (10,428)		

GENERAL FUND REVENUES

Revenues	Amended Budget	YTD Actual	%	% Prior Year
Sales & Use Tax	\$ 83,671	\$ 33,143	40%	45%
Prop. 172 Sales Tax	2,890	1,493	52%	49%
Property Tax	65,859	64,446	98%	9%
Motor Vehicle In-Lieu Fees	36,565	1,253	3%	5%
Business Tax	16,462	9,229	56%	71%
Franchise Tax	6,359	1,363	21%	21%
Other Local Taxes	13,012	6,393	49%	65%
Card Room Receipts	1,399	831	59%	62%
Charges For Services	20,327	8,918	44%	54%
Enterprise In-Lieu Fees	322	322	0%	0%
Intergovernmental Revenues	2,011	653	32%	83%
Intragovernmental Revenues	(15,015)	(14,493)	97%	44%
All Other Revenue Sources	20,957	19,965	95%	87%
Total	\$ 254,819	\$ 133,516	52%	36%

GENERAL FUND REVENUES

General Fund revenues for the seven months ended January 31, 2008 were \$133.5 million. Last year at this time, revenues were \$81.8 million. The of the difference between this year and last year is due primarily to timing differences related to Property Taxes, VLF-Swap, and Sales Tax Swap. These revenues were not received until February of last year and exceeded \$57 million.

In reviewing the major revenue sources, Sales Tax revenue has remained materially constant with the amount received this same period last year (\$33.1 million this year; \$33.8 million last year). This trend suggests that the estimated amount for Sales Tax will likely not be realized by fiscal year end. More than \$61 million was received in Property Tax during the month (consisting of \$34 million-Real Secured/Unsecured; \$18 million-VLF Swap; and \$9 million-Sales Tax Swap). As stated last month, State-level sources indicate that the State may be facing as much as a \$14 billion budget deficit. Accordingly, Sales Tax, Property Tax, and Vehicle In-Lieu will continue to be monitored.

Revenues (other than Sales Tax, Property Tax and Vehicle In-Lieu) have been achieving moderate results thus far. The following revenue sources have decreased from the amounts received this same period last year: Business Tax (\$2.1 million decr.), Other Local Tax (\$1.1 million decr.), and Charges for Services (\$1.4 million decr.). These decreases could be timing differences as these revenues are not received evenly each month. However the trends thus far are concerning.

As of January 31, 2008, the Emergency Reserve maintains in excess of \$15.8 million in cash. The use of this cash is restricted unless a declaration is made by the mayor and approved by council.

GENERAL FUND EXPENDITURES BY DEPARTMENT

Department	Amended Budget	YTD Actual	%	% Prior Year
Police Department	\$ 137,195	\$ 78,751	57%	59%
Fire Department	46,391	29,768	64%	59%
Parks, Recreation & Community Services	23,311	13,825	59%	60%
Administrative/General	20,494	5,972	29%	40%
Public Works	17,192	10,508	61%	58%
City Council Offices	3,687	1,784	48%	49%
City Manager's Office	1,254	796	63%	69%
City Clerk's Office	808	453	56%	57%
Office of the Mayor	611	355	58%	61%
Economic Development Department	1,604	701	44%	30%
General City Purpose Department	2,415	1,031	43%	47%
Total	\$ 254,962	\$ 143,944	56%	57%

GENERAL FUND EXPENDITURES BY TYPE

Expenditure Type	Amended Budget	YTD Actual	%	% Prior Year
Salaries and Benefits (excluding overtime)	\$ 166,101	\$ 96,060	58%	57%
Overtime	5,216	3,831	73%	64%
Pension Obligation Bonds	12,606	4,667	37%	38%
Operations and Maintenance	22,685	15,062	66%	66%
Interdepartmental Charges	37,963	22,101	58%	58%
Transfers, Loans and Contingencies	6,085	-	0%	0%
Capital	4,306	2,223	52%	63%
Total	\$ 254,962	\$ 143,944	56%	57%

GENERAL FUND EXPENDITURES

General Fund expenditures for the seven months ended January 31, 2008 were \$143.9 million. Last year at this time, expenditures were \$129.3 million. This is an 11% increase from the 7-month period last year (July-January). Due to revenue uncertainties thus far expenditures will continue to be monitored during subsequent months. Budgetary adjustments might become necessary.

By department, the Police and Fire departments have expended \$78.8 million and \$29.8 million, increases of \$6.5 million and \$4.5 million respectively over this period in the prior year. As stated previously, the increases for these two departments can be attributed primarily to personnel/salary costs. All other departments have expended (materially) comparable amounts to that of the prior year.

By expenditure type, overall salaries, including overtime have increased \$13.9 million from the prior year due to salary increases and additional personnel. The majority of the salary increases is from Police \$8.0 million, and Fire \$4.5 million. Overtime is already at 73% of budget with 5 months still remaining in the fiscal year. Operations and Maintenance expenditures decreased slightly, \$15.1 million this year vs. \$15.7 million last year, likely resulting from timing issues related to work on various projects. Interdepartmental Charges, which reflect charges by General Fund departments to other departments, has increased \$2.1 million compared to the prior year.

ENTERPRISE OPERATING FUNDS

Department	Budget	YTD Actual	%
Community Sanitation			
Revenues	\$ 10,751	\$ 6,409	60%
Expenditures	\$ (10,751)	\$ (5,359)	50%
Total	-	1,050	
Convention Center			
Revenues	\$ 5,982	\$ (1,142)	-19%
Expenditures	\$ (6,902)	\$ (1,137)	16%
Total	(920)	(2,279)	
Planning and Development Department			
Revenues	\$ 15,353	\$ 13,575	88%
Expenditures	\$ (17,603)	\$ (9,645)	55%
Total	(2,250)	3,930	
FAX/Transit			
Revenues	\$ 46,702	\$ (820)	-2%
Expenditures	\$ (45,711)	\$ (24,473)	54%
Total	991	(25,293)	
Airports			
Revenues	\$ 12,717	\$ 5,308	42%
Expenditures	\$ (12,717)	\$ (6,220)	49%
Total	0	(912)	
Housing/Neighborhood Revitalization			
Revenues	\$ 12,742	\$ (5,307)	-42%
Expenditures	\$ (15,010)	\$ (10,635)	71%
Total	(2,268)	(15,942)	
Sewer System			
Revenues	\$ 71,467	\$ (16,462)	-23%
Expenditures	\$ (64,618)	\$ (31,148)	48%
Total	6,849	(47,610)	
Solid Waste System			
Revenues	\$ 53,941	\$ 28,489	53%
Expenditures	\$ (49,275)	\$ (25,143)	51%
Total	4,666	3,346	
Water System			
Revenues	\$ 62,385	\$ 37,830	61%
Expenditures	\$ (58,081)	\$ (28,079)	48%
Total	\$ 4,304	\$ 9,751	

ENTERPRISE OPERATING FUNDS

With the exception for FAX/Transit, the financial results for the above enterprise operating funds are within acceptable levels for the seven months ended January 31, 2008. These results do not reflect trends or patterns in operations. Revenues and expenditures are recognized on a cash basis for interim reporting. Accordingly, timing differences are inherent for these funds. For instance, major sources of revenues, including grants, are recorded as revenues when received. This causes revenue "spikes" in some months and flat revenues in others. The above figures reflect the carryover from fiscal year 2007. Carryover amounts have been budgeted already and will be used for current / future operations for both ongoing expenditures and major capital projects. FAX/Transit department, as well as Housing/Neighborhood Revitalization are working to expand grant draw downs in the coming months. Which should improve revenue streams Sewer, as explained in an earlier report, had over \$100 million in encumbrances, resulting in negative carryover and negative revenue. This is a timing issue only for Sewer.

DEBT SUMMARY

Debt Source	Principal Outstanding
Tax Supported	
Pension Obligation Bonds	\$ 186,990
Various Capital Projects	43,315
Stadium Project	42,770
City Hall Refinancing	30,150
Exhibit Hall Expansion Project	27,786
No Neighborhood Left Behind	39,650
Convention Center Improvements	17,435
Conference Center Refinancing	5,335
Street Light Acquisition Project	5,035
Street Improvement Project	3,350
Judgment Obligation Bonds	4,355
Water	42,265
Sewer	204,050
Airport	60,970
Solid Waste	11,530
Total	\$ 724,986

SUMMARY

This report is based on detailed information produced by the City's Finance Department/Accounting Division. If you would like additional information, or have any questions about this report, please call 621-7001